

**Amendment No. 1 to SB3160**

**Beavers**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 3160**

**House Bill No. 2682\***

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 17, is amended by adding the following new part 13:

§29-17-1301.

As used in this part, unless the context otherwise requires:

(1) "Economic development" means any activity or endeavor to increase tax revenue, expand a tax base, increase employment, or promote or stimulate general economic health, when such activity or endeavor does not result in:

(A) The transfer of land to public ownership;

(B) The transfer of land to a private entity that is a common carrier, such as a railroad or utility; or

(C) The transfer of land to a private entity when the purpose of acquisition of the property by eminent domain is to remove a threat to public health or safety, such as the removal of structures that are beyond repair or that are unfit for human habitation or use, or acquisition of abandoned property;

Economic development does not include the lease of property to a private entity that occupies an incidental area within a public project such as retail space on the ground floor of a public building;

(2) "Governmental entity" means the federal government or any federal agency, the state of Tennessee or any political subdivision of the state of Tennessee including, but not limited to, any municipality, utility district, school district, public building authority, and development district created and existing pursuant to the constitution and laws of Tennessee, or any instrumentality of government created by any one (1) or more municipalities or by an act of the general assembly;

(3) "Municipality" means any county, metropolitan government, incorporated city or town in the state of Tennessee;

(4) "Private entity" means an individual, partnership, association, corporation, or any other organization or group of persons that is not a governmental entity;

(5) "Private property" means real property, or improvements to real property, not owned by a governmental entity; and

(6) "Public use" means the possession, occupation, and enjoyment of land by the general public, or by a governmental entity; the use of land for the creation or functioning of public utilities; the acquisition of property to cure a concrete harmful effect of the current use of the land, including the removal of public nuisances, structures that are beyond repair or that are unfit for human habitation or use, and the acquisition of abandoned property. A public benefit of economic development, including increase in tax revenue, expansion of a tax base, increase in employment, or promotion or stimulation of general economic health, shall not constitute a public use.

§29-17-1302.

(a) Notwithstanding the provisions of Tennessee Code Annotated, Title 29, or any other provision of law to the contrary, on the effective date of this act and during the one hundred twenty (120) day period immediately following such effective date, a state or local governmental entity or any entity that has been granted the power of eminent domain shall not condemn private property and sell, lease or otherwise transfer such property to a private entity, if such property is not taken for a public use.

(b) Notwithstanding the provisions of Tennessee Code Annotated, Title 29, or any other provision of law to the contrary, on the effective date of this act and during the one hundred twenty (120) day period immediately following such effective date, a state or local governmental entity or any entity that has been granted the power of eminent domain shall not sell, lease or otherwise transfer any property taken by condemnation through the powers of eminent domain.

(c) The taking of private property through eminent domain for the purpose of selling, leasing or otherwise transferring such property to a private entity to be used by such private entity for economic development shall not constitute a public use. It shall be prima facie evidence that the purpose of a taking is for economic development if a sale, lease or transfer of the property results in economic development by or benefiting a private entity.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.